

## **Program B: Injured Worker Reemployment Program**

Program Authorization: LA R.S. 23:1371-1379

### **Program Description**

The mission of the Injured Worker Reemployment Program is to encourage the employment of workers with a permanent condition that is an obstacle to employment or reemployment, by reimbursing the employer or if insured their insurer for the costs of workers' compensation benefits when such a worker sustains a subsequent job related injury. The Injured Worker Reemployment Program obtains assessments from insurance companies and self-insured employers, and reimburses those clients who have met the prerequisites.

The goals of the Injured Worker Reemployment Program are:

1. Ensure prompt reimbursement to employers and insurers for qualifying claims.
2. Maintain adequate funding.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2001-2002	ACT 13 2002-2003	EXISTING 2002-2003	CONTINUATION 2003-2004	RECOMMENDED 2003-2004	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	29,440,174	30,154,617	30,154,617	29,993,600	30,071,838	(82,779)
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<b>\$29,440,174</b>	<b>\$30,154,617</b>	<b>\$30,154,617</b>	<b>\$29,993,600</b>	<b>\$30,071,838</b>	<b>(82,779)</b>
EXPENDITURES & REQUEST:						
Salaries	\$303,758	\$297,645	\$297,645	\$306,722	\$370,248	\$72,603
Other Compensation	7,706	7,117	7,117	7,117	7,117	0
Related Benefits	49,491	55,870	55,870	57,304	67,341	11,471
Total Operating Expenses	13,344	43,927	43,927	45,211	44,202	275
Professional Services	9,538	31,000	31,000	31,000	31,000	0
Total Other Charges	29,053,337	29,713,374	29,713,374	29,546,246	29,546,246	(167,128)
Total Acq. & Major Repairs	3,000	5,684	5,684	0	5,684	0
TOTAL EXPENDITURES AND REQUEST	<b>\$29,440,174</b>	<b>\$30,154,617</b>	<b>\$30,154,617</b>	<b>\$29,993,600</b>	<b>\$30,071,838</b>	<b>(82,779)</b>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	13	13	13	13	13	0
Unclassified	0	0	0	0	0	0
<b>TOTAL</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>0</b>

## SOURCE OF FUNDING

This program is funded with Statutory Dedications from the Louisiana Worker's Compensation - Second Injury Fund. This funding is generated by an annual assessment against insurance carriers and self-insured (R.S. 39:32b (8)). This fund is administered five board members: the State Treasurer, Commissioner of Insurance, Director of Worker's Compensation, Secretary of the Worker's Compensation benefits. The Board may suspend or lower this assessment rate annually. (Per R.S. 39:36B.(8), see table below for listing of expenditures out of each Statutory Dedicated fund.)

	<b>ACTUAL</b>	<b>ACT 13</b>	<b>EXISTING</b>	<b>CONTINUATION</b>	<b>RECOMMENDED</b>	<b>RECOMMENDED</b>
	<b>2001-2002</b>	<b>2002-2003</b>	<b>2002-2003</b>	<b>2003-2004</b>	<b>2003-2004</b>	<b>OVER/(UNDER)</b>
						<b>EXISTING</b>
Office of Worker's Compensation Administration Fund	\$0	\$0	\$0	\$0	\$0	\$0
Louisiana Worker's Compensation 2nd Injury Board Fund	\$29,440,174	\$30,154,617	\$30,154,617	\$29,993,600	\$30,071,838	(\$82,779)
Director of Worker's Compensation Revolving Fund	\$0	\$0	\$0	\$0	\$0	\$0

## MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$30,154,617	13	<b>ACT 13 FISCAL YEAR 2002-2003</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$0	0	None
\$0	\$30,154,617	13	<b>EXISTING OPERATING BUDGET - December 2, 2002</b>
\$0	\$5,549	0	Annualization of FY 2002-2003 Classified State Employees Merit Increase
\$0	\$4,962	0	Classified State Employees Merit Increases for FY 2003-2004
\$0	\$5,684	0	Acquisitions & Major Repairs
\$0	(\$5,684)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$73,563	0	Salary Base Adjustment
\$0	(\$172,324)	0	Other Adjustments - This adjustment realigns this program expenditures based on historical spending patterns.
\$0	\$5,471	0	Other Adjustments - This increase in funding is due to added cost for Administrative, Services and Training (AS&T). The increased cost is due to additional personnel charging time from the Office of Workforce Development (474); increase in salaries of this personnel based on an approved job study by civil service. Also, the cost has gone up due to personnel charging time to the wrong expenditure categories. This cost covers sections such as audit, security, fiscal and maintenance.
\$0	\$30,071,838	13	<b>TOTAL RECOMMENDED</b>
\$0	\$0	0	<b>LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS</b>
\$0	\$30,071,838	13	<b>BASE EXECUTIVE BUDGET FISCAL YEAR 2003-2004</b>
			<b>SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:</b>
\$0	\$0	0	None
\$0	\$0	0	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE</b>
\$0	\$30,071,838	13	<b>GRAND TOTAL RECOMMENDED</b>

## PROFESSIONAL SERVICES

\$10,000	Legal services for contract attorneys to assist in high legal appeals of cases denied for reimbursement of Worker's Compensation claims
\$21,000	Actuarial study of claims required by the legislative auditor to determine validity and accuracy of unfunded liability
<b>\$31,000</b>	<b>TOTAL PROFESSIONAL SERVICES</b>

**OTHER CHARGES**

\$28,990,917 Reimbursement to insurance carriers for costs' of Worker's Compensation benefits when an eligible worker sustains a subsequent job related injury

**\$28,990,917 SUB-TOTAL OTHER CHARGES**

**Interagency Transfers:**

\$546,450 Department of Justice-Legal Services

\$3,408 Division of Administration-Comprehensive Public Training Program (CPTP)

\$5,471 Funding will be transferred to the Office of Workforce Development to handle the Administrative Services and Technical indirect cost for the department.

**\$555,329 SUB-TOTAL INTERAGENCY TRANSFERS**

**\$29,546,246 TOTAL OTHER CHARGES**

## **ACQUISITIONS AND MAJOR REPAIRS**

\$5,684 This funding will purchase 3 pc's and 3 printers.

**\$5,684 TOTAL ACQUISITIONS AND MAJOR REPAIRS**